

Agricultural Assistance Act of 2003

Title 2 of H. J. Res. 2

Making Further Continuing Appropriations for the Fiscal Year 2003, and for Other Purposes.

[The Omnibus FY2003 appropriations bill]

Sec. 201. Short Title. The Agricultural Assistance Act of 2003

Sec. 202. Crop Disaster Assistance. Provides disaster payments for crop losses for either 2001 or 2002—a producer will choose which year. Will operate like the 2000 disaster program (with a few exceptions). Covers all traditional disaster crops.

- Covered quantity loss: Losses greater than 35% of the normal yield. (i.e., 65% of the normal yield less the harvested yield)
- Payment rates: ____% of applicable price
 - 50% for purchasers of crop insurance or CAT or if insurance not available
 - 45% for producers who could have purchased crop insurance or CAT but chose not to
- Quality losses are covered
- Benefit cap: disaster payments + FCIC crop insurance indemnities + actual crop value cannot exceed 95% of the crop value if no loss had occurred
- Producers who chose not to purchase crop insurance or CAT or to qualify for NAP must agree to do so for the next 2 years. Crop insurance coverage must be at additional levels (not CAT)
- CBO cost estimate: \$2,145 million.

Sec. 203. Livestock Assistance. Expands eligibility for the 2002 Livestock Compensation Program (LCP) which was initiated by the Administration last fall to provide assistance for selected types of livestock in counties designated as disaster counties. Re-establishes a more targeted Livestock Assistance Program (LAP) for producers suffering grazing losses in counties designated as disaster counties due to weather-related problems.

- The Livestock Compensation Program provides a flat payment by number and type of livestock to all livestock producers in a qualifying disaster county. This bill:
 - Provides funding through the Commodity Credit Corporation (CCC) to producers who were in counties eligible to be declared 2001 or 2002 primary disaster counties but had not applied for a disaster designation by the original cutoff date, in addition to counties designated as disaster counties for reasons other than drought.
 - Counties will have until the date of enactment of this act to apply.
- CBO cost estimate: \$100 million.
- The Livestock Assistance Program provides payments to livestock producers for grazing losses in a primary disaster county. Payments vary by the severity of the grazing loss. This bill:
 - Provides \$250 million in CCC funding for the new LAP.
 - Bases the new LAP on provisions of the 1999 program.

- Uses the Adjusted Gross Income limitation on benefits as in the 2002 farm bill.
- Reduces LAP benefits by the amount of assistance received under the LCP and the 2002 Cattle Feed Program.
- CBO cost estimate: \$250 million.

Sec. 204. Emergency Surplus Removal. Provides \$250 million for replenishment of Section 32 funds. Section 32 funds are used for government purchase of surplus fruits and vegetables and other commodities that are used by schools and food banks.

- CBO cost estimate: \$250 million.

Sec. 205. Tobacco Payments. Gives direct payments to eligible persons at a \$.055 per pound based on the national basic poundage quota for the 2002 marketing year.

- CBO cost estimate: \$53 million

Sec. 206. Cottonseed. Provides compensation for losses to the cottonseed industry resulting from hurricanes and other conditions in 2002.

- CBO cost estimate: \$50 million

Sec. 207. Hurricane Assistance. Provides disaster assistance to sugarcane producers for losses resulting from hurricanes in 2002.

- CBO cost estimate: \$60 million.

Sec. 208. Weather-related Losses. Provides disaster assistance for sugar beet losses for either 2001 or 2002. A producer will choose which year.

- CBO cost estimate: \$60 million.

Sec. 209. Assistance to Agricultural Producers Located Along Rio Grande for Water Losses. Provides funds to producers suffering economic losses because of irrigation water shortages caused by Mexico's failure to deliver water to the United States under treaty obligations.

- CBO cost estimate: \$10 million.

Sec. 210. Assistance to Agricultural Producers Located in New Mexico for Tebuthiuron Application Losses. Provides \$1.65 million to reimburse producers in New Mexico for losses during 2002 due to pesticide misapplications by the federal government.

- CBO cost estimate: \$2 million.

Sec. 211. Assistance to Citrus and Lime Growers for Lost Production from Trees Removed to Control Citrus Canker. Allows the Secretary to use up to \$18.2 million of funds from the Commodity Credit Corporation to compensate Florida commercial citrus and lime growers for lost production from trees removed to control citrus canker and certified citrus nursery stocks placed in a citrus canker quarantine area. It specifies that to be eligible for assistance due to tree removal a grower must have removed the tree after September 30, 2001

- CBO cost estimate: \$18 million.

Sec. 212. Administration. Ensures that the reduction in Conservation Reserve Program (CRP) annual payments on CRP acres approved for haying and grazing in 2002 because of drought and other weather problems is waived for all producers.

- CBO cost estimate: \$15 million.

Sec. 213. Technical Assistance. Specifies that the Secretary may use funds from the Commodity Credit Corporation made available for USDA conservation programs for the provision of technical assistance.

CBO cost estimate: \$0 million.

Sec. 214. Producer-Owned Cooperative Marketing Association Loan Forfeiture Authority.

Allows producer-owned coops to forfeit 1999, 2000 and 2001 crops of type 21 fire-cured tobacco or type 37 Virginia sun-cured tobacco.

- CBO cost estimate: \$1 million.

Sec. 215. Bovine Tuberculosis Eradication. Provides \$15 million to address chronic bovine tuberculosis problems in the El Paso region.

- CBO cost estimate: \$15 million.

Sec. 216. Funding.

Provides \$70 million to USDA to cover administrative costs of implementing this title and the 2002 farm bill.

- CBO cost estimate: \$70 million.

Limits funding of the Conservation Security Program.

- CBO cost estimate: -\$3,105 million.

Sec. 217. Regulations. Provides the terms and condition for promulgating regulations and administering the title.

- CBO cost estimate: \$0 million.

CBO Estimate of the Total Cost of provisions in this Bill:	\$3,099 million
Amount Offset:	\$3,105 million
Net Cost:	- \$6 million